

NOTICE TO CUSTOMERS

The Public Service Commission of South Carolina (the "Commission") has approved an increase in the South Carolina retail rate schedules of Duke Energy Carolinas, LLC (the "Company") in Docket No. 2019-319-E. After investigation, public hearings and an evidentiary hearing, the Commission approved an annual revenue increase of \$106,931,000 or 5.97% for the Company in Order No. 2019-323 (the "Order") on May 21, 2019. The revenue increase will be offset by \$61,814,314 in year 1 to reflect the reduction in tax rates enacted in the Tax Cuts and Jobs Act of 2017 and a reduction in the North Carolina corporate tax rates. Rates are therefore approved to increase by a net change of \$45,116,686 or 2.5% effective for service rendered on and after June 1, 2019.

The Order also approves changes to rate designs and the closing of rate schedules as follows: Basic Facilities Charges will be increased to \$11.96 for residential non-TOU customers, \$13.09 for residential TOU customers, and \$11.70 for SGS customers. Schedule FL is closing, and the associated floodlighting services will be captured in Schedules OL and PL. Schedule GL is also closing, and those products will be moved to Schedule PL, which is reopening for service to new installations and will be reformatted to a three-tiered price structure. Schedule NL is closing to new installations. The high pressure sodium vapor luminaires on Schedules OL and PL will no longer be available for new installations, and the Company will proactively replace mercury vapor luminaires with LED luminaires starting in January 2020. Transition fees for Schedules OL and PL have also been adjusted. The extra facilities charge is decreasing from 1.7% to 1.0% of the installed cost of the extra facilities. Lastly, the Prepaid Advantage Program will no longer be a pilot, but will be available to all qualifying customers.

The distribution of revenue among the classes, rate design changes and consolidation and cancellation of rate schedules, along with the impact of the various riders will cause some customers to receive an increase higher or lower than the average increase depending on the individual customer and usage characteristics.

The new rates and charges will be reflected on billing statements on or after June 1, 2019. Information concerning the impact of these decisions on all rate schedules is available by calling Duke Energy Carolinas' Customer Service Center at 1.800.777.9898.